

Questions and Answers #2: DACW41-03-R-0068

Section B

1. Question: Section B.2 indicates the geographical area covered by this PRAC will be within EPA Region II and CENWD. Section C1.2 states that this PRAC will provide capacity for HTRW remediation projects for both civilian and military agencies. For purposes of this solicitation, is the geographical area defined by CENWD Military or CENWD Civil Works boundaries.

Answer: Section B.2 states "The contracts will be acquired.....for work assigned to districts within the United States Army Corps of Engineers Northwestern Division (CENWD) and EPA Region II.....". The geographical area is not defined as civil or military.

Section L

2. Question: Section L.8, Subfactor 3A - Safety and Health: Regarding request for "A summary of accidents that occurred within the last three calendar years, which resulted in property damage over \$2500, or permanent disability or death," it appears that USACE-Kansas City would like to see a summary of (1) all accidents in the last three calendar years that resulted in more than \$2500 in damages that occurred on our projects, both federal/state and commercial and (2) all accidents identified on our OSHA 200 and/or 200-S logs in the last three calendar years that resulted in permanent disability or death. Would USACE-Kansas City please verify if our interpretation of items one and two are each correct?

Answer: Yes, NWK is requesting to see both a summary of all accidents over \$2,500 or permanent disability or death **and** the OSHA logs for the last three years. This information is required for all jobs, not just federal. As an explanation, the OSHA log does not assign accountability to the accident or give the detail required to evaluate the accident prevention program of the firm.

3. Question: Section L.6, Subfactor 1A - Company Experience: If work on a project at a single site has been conducted under two separate contracts, is it acceptable to list both contract numbers and provide a project description that includes both contracts?

Answer: As stated in Section L, a project is defined as a "task order" (TO) and an ID/IQ typically has more than one task order. Section L also notes "other projects with related experience may be provided to supplement each project". This should allow the offeror to present experience on multiple sites for a specific technology. If the ID/IQ contract task orders were all the same technology, it would be acceptable to use one TO as the "project" and the others as "supplement" information

4. Section L.4 - Ten pages have been allotted for Volume 4. This includes 4 pages for the cost tables. Additional items to be included in volume 4 include:
 - a. The SF33
 - b. Acknowledgement of Amendments
 - c. Section K, Representations and Certifications
 - d. Name, location, and telephone number of your bonding company and present bonding capacity
 - e. NWK 00010-001 Field Office Overhead

The SF 33 and Section K, Representations and Certifications have been excluded from the page count. While there have not yet been any amendments, if there are amendments, will the Acknowledgement of Amendments also be excluded from the page count?

Answer: No. You are not required to resubmit a copy of the amendment with signature. Acknowledgment of the amendment in Block 14 of the SF 33 is acceptable for acknowledgment.

5. Question: Section L.6, Subfactor 1A, Company Experience, requests up to 10 examples of projects (defined as a cost reimbursable or fixed price contract or task order) to demonstrate our Team's HTRW experience. May we submit ID/IQ contracts as examples or are you looking for the specifics of individual task orders?

Answer: As stated in Section L, a project is defined as a "task order" (TO) and an ID/IQ typically has more than one task order. Section L also notes "other projects with related experience may be provided to supplement each project". This should allow the offeror to present experience on multiple sites for a specific technology. If the ID/IQ contract task orders were all the same technology, it would be acceptable to use one TO as the "project" and the others as "supplement" information

6. Question: In a related question, Section L.6, Subfactor 1C, Past Performance, requests a performance evaluation on our five most recent projects over \$1,000,000. Again, do you want to see individual task orders or may we use ID/IQ contracts?

Answer: The project defined as a "task order" should be used for past performance evaluation. This evaluation is not to be completed for an ID/IQ contract.

7. Question: May the due date for these surveys (past performance evaluations) now be 29 September 2003.

Answer: Yes

8. Question: Section L.9 prohibits the use of forward pricing rates in the Volume 4-Factor 4-Cost. In the Questions and Answers posted on 8/20/03, the use of partial year incurred indirect cost rates in lieu of three completed years' incurred rates is also prohibited. Section M 5.c. cautions offerors regarding "incomplete, ... noncurrent cost or pricing information and /or cost or pricing data." We acknowledge that historical incurred indirect cost rates are a relevant part of an overall evaluation, but we contend that an evaluation of the most probable cost to the Government and the most current, accurate and complete cost or pricing data must also include a review of year-to date actual cost experience and any relevant facts and information regarding cost projections. Review of only completed fiscal years does not adequately address the current costs and most probable future costs of a rapidly growing small business with significant increases in business and backlog realized in the current fiscal year. Section M.5a states that cost subfactors will be considered with respect to their deviations from the "norm", and that the "norm" will be established by the cost evaluation team based on "current market trends and cost data received from all offerors." In addition to the historical incurred indirect cost rates for the three most recently completed fiscal years, and within the ten-page limitation of the Cost Volume, will USACE take into consideration current year-to-date indirect cost data (supportable by company books and records) to assist in the cost evaluation team's assessment of "current market trends"?

Answer: Some of the goals in source selection are (1) to ensure consistency among the solicitation requirements, notices to offerors, proposal preparation instructions, evaluation of factors and subfactors, solicitation provisions or contract clauses, and data requirements and, (2) Ensure that proposals are evaluated based solely on factors and subfactors contained in the solicitation. (FAR 15.303(a)(3) and (4)). To accomplish the evaluation goals (1) FAR 15.304(a) states that "the factors and subfactors that will be considered in evaluating proposals shall be tailored to each acquisition and shall include only those factors that will have an impact on the source selection decision" and (2) FAR 15.304(b)(2) states that the "evaluation factors and significant subfactors must support meaningful comparison and discrimination between and among competing proposals."

Because actual scopes of work will be defined only upon the issuance of each task order, we have determined that it is nearly impossible for bidders to estimate (i.e., current cost or pricing data) with any certainty what the most probable cost will be to the Government because the bidders do not know what task orders nor do they know the scope of those task orders. Consequently, the bidders cannot determine the most probable estimated labor, material, subcontract, other direct costs, or overhead that will be experienced on these task orders. That is also why we have not asked contractors to submit proposal(s) for as yet to be determined scopes of work. Therefore, We have come up with factors that will allow us to make meaningful comparisons and discrimination between and among competing offeror's. Based on the FAR references above, the contracting officer can request information other than the most current cost or pricing data that may be required by the

contracting officer in order to establish cost realism or price reasonableness. This information can include **limited** cost information, sales data and/or pricing information.

Including the first six months of your current fiscal year is not going to necessarily make your overhead rates the “more probable costs to the Government.” As this solicitation has a five year performance period, for you to determine the **most** or even the more probable overhead cost, you would need to know what business volume you are going to experience over the next five years (which means you would need to know the estimated dollar amount you are going to receive on this solicitation, what escalation in costs you will experience, etc.). It’s also noted that following your line of reasoning to request the “most (or even more) probable cost to the Government” for this solicitation, then we also need to request the most probable labor, material, subcontract, and other direct costs. As stated above, that would require that all offeror’s know what task orders and scope of task orders are going to be issued under this solicitation.

While no evaluation factors are perfect, we have selected the three-year average to attempt to eliminate any unnecessary (and nearly impossible) judgmental factors (i.e., trying to estimate the next five years) and to attempt to level out possible “good and bad” years. While all bidders may wish to exclude their worst periods and include their best periods, we are attempting to obtain data for meaningful comparisons. As stated above, this data will provide us with meaningful comparisons and our opinion is that this complies with FAR requirements.